



2011 Assembly Republican Jobs Package

Tax and Job Creation Incentives

Cook Bill Would Eliminate Tax on Small Businesses



[Assembly Bill 166](#), by Asm. Paul Cook (R-Yucca Valley) would eliminate the annual Minimum Franchise Tax on small businesses and make it more affordable for them to expand their operations and hire new workers.

Garrick Bill Would Reduce Tax on New Small Businesses for Nine Years



[Assembly Bill 821](#), by Asm. Martin Garrick (R-Carlsbad) would reduce the annual Minimum Franchise Tax on new small businesses from \$800 to \$100 for the second through tenth year of operation - the first year of operation is already exempted from the tax. This reduction is intended to encourage new businesses by reducing their costs of operation and make California a more business-friendly state.

Knight Bill Would Offer Tax Incentive for Business Growth



[Assembly Bill 303](#), by Asm. Steve Knight (R-Antelope Valley) would create a sales and use tax exemption for business equipment in California. The exemption would specifically be on the gross receipts for business equipment primarily in manufacturing, processing or recycling of property, along with equipment for research and development.

Knight Bill Would Offer Tax Incentive for Job Creation



[Assembly Bill 304](#), by Asm. Steve Knight (R-Antelope Valley) would provide a tax incentive for companies, businesses and corporations which move their headquarters to California and employ a minimum of 30 people. This would provide relief for businesses from California's anti-business climate and promote the hiring of Californians.

Morrell Bill Would Cut Tax on New Small Businesses for Six Years



[Assembly Bill 368](#), by Asm. Mike Morrell (R-Rancho Cucamonga) would cut the Minimum Franchise Tax in half for small businesses for the first six taxable years. Any new business starting operations between 2012 and 2018 would be eligible for this tax cut.

Olsen Bill Would Help Businesses Purchase Environmentally-Friendly Equipment



[Assembly Bill 1057](#), by Asm. Kristin Olsen (R-Modesto) would provide a sales tax exemption, beginning in 2014, for businesses that purchase manufacturing equipment, or new equipment purchased for the purpose of air mitigation.

Silva Bill Would Eliminate Tax on Limited Liability Companies



[Assembly Bill 831](#), by Asm. Jim Silva (R-Huntington Beach) would exempt single member limited liability companies from the Minimum Franchise Tax and streamline the process for obtaining a tax-exempt status letter.

Silva Bill Would Provide Tax Incentive to Promote Manufacturing Jobs



[Assembly Bill 979](#), by Asm. Jim Silva (R-Huntington Beach) would provide a sales and use tax exemption to benefit manufacturing, including the aerospace sector, textiles, pharmaceuticals and computer software publishing. California is one of only three states in the U.S. that tax manufacturing equipment purchases with no credit or exemption.

End Frivolous Lawsuit Abuse

Halderman Bill Would Reform Civil Litigation Process



[Assembly Bill 158](#), by Asm. Linda Halderman, M.D. (R-Fresno) would limit punitive damages to three times compensatory damages, protect businesses that are in compliance with state and federal standards and cap non-economic damages in civil lawsuits at \$250,000 for cases involving negligence. Thirteen other states have already enacted similar reforms and have enjoyed job growth and retention as a result.

Nestande Bill Would Bring Fairness to Class Action Law



[Assembly Bill 271](#), by Asm. Brian Nestande (R-Palm Desert) would make it more difficult for frivolous lawsuits to succeed. It would give defendants in a class action lawsuit the same rights as a plaintiff to appeal a judge's initial granting of a class certification. It would increase accountability and conform state law to federal law.

Wagner Bill Would Reduce Costs of Lawsuits



[Assembly Bill 556](#), by Asm. Don Wagner (R-Irvine) would put more certainty in the law that currently encourages frivolous lawsuits. It would reduce the costs of litigation by authorizing the trial court judge to determine the amount of punitive damages and to state the reasons for the amount of the award.

Regulatory Review and Relief

Berryhill Bill Would Create Business Master License Center



[Assembly Bill 569](#), by Asm. Bill Berryhill (R-Stockton) would create the Business Master License Center, a one-stop information shop for businesses seeking regulatory licenses. The center would develop and administer a computerized license system, and issue and renew licenses. Currently, businesses are required to obtain various licenses from multiple regulatory agencies.

Cook Bill Would Help Employers Comply With Costly Labor Regulations



[Assembly Bill 311](#), by Asm. Paul Cook (R-Yucca Valley) would establish a Labor Standards Consultation Unit to provide advice to an employer or employee regarding compliance with California's complex labor standards.

Garrick Bill Would Require Review of Regulations Costing \$10 Million or More



[Assembly Bill 586](#), by Asm. Martin Garrick (R-Carlsbad) would require a legislative committee with jurisdiction over a state agency to hold a hearing if that agency proposes a regulation that is estimated to cost \$10 million or more. Under current law, no regulation adopted by a state agency is valid or effective unless it directly carries out provisions of law and is consistent with its purpose and intent. However, state agencies can currently create and enact regulations that affect Californians which may be contrary to Legislative intent with no oversight or review.

Grove Bill Would Delay Implementation of Costly Environmental Regulations



[Assembly Bill 333](#), by Asm. Shannon Grove (R-Bakersfield) would relieve California businesses from the costly and burdensome regulations associated with Assembly Bill 32 (the state's global warming law) until the unemployment rate in the county where the businesses reside falls below 7% for six consecutive months. When AB 32 was signed in 2006, California's unemployment rate was below 5%.

Knight Bill Would Require Review of Regulations Costing \$15 Million or More



[Assembly Bill 429](#), by Asm. Steve Knight (R-Antelope Valley) would require a regulatory agency to submit a copy of the rulemaking record for any new regulation costing over \$15 million to the appropriate legislative policy committee for review before taking effect. Currently, unelected bureaucrats can impose new regulations on Californians with little accountability to those that the law will be enacted upon.

Logue Bill Would Remove Incentives to Fleece Businesses



[Assembly Bill X1 7](#), by Asm. Dan Logue (R-Linda) would require certain state agencies to deposit fines levied against businesses into the State General Fund. This will put a stop to the practice of agency fines going directly into their coffers.

Logue Bill Would Give Businesses Time to Comply With New Regulations



[Assembly Bill 127](#), by Asm. Dan Logue (R-Linda) would change the timeline of when state agency regulations come into effect, from 30 days after being filed with the Secretary of State, to January 1st of the next year following a 90-day period after being filed with the Secretary. This would conform the regulatory process to the legislative process as prescribed by the State Constitution.

Morrell Bill Would Require Mandatory Five-Year Review of Regulations



[Assembly Bill 535](#), by Asm. Mike Morrell (R-Rancho Cucamonga) would require the state Office of Administrative Law to review the regulations of state agencies five years after their implementation and report their economic and consumer impacts. This would provide accountability for the effectiveness (or lack thereof) of these regulations.

Morrell Bill Would Require Review of Burdensome Small Business Regulations



[Assembly Bill 541](#), by Asm. Mike Morrell (R-Rancho Cucamonga) would require the California Small Business Board to review the state's licensing and permitting regulations as they effect small businesses. Special attention would be paid to the regulatory impact on small business startups and would require state agencies to cooperate with the board in its work.

Nestande Bill Would Report and Repeal Burdensome Regulations



[Assembly Bill 425](#), by Asm. Brian Nestande (R-Palm Desert) would require all state entities that impose regulations to review those regulations, and repeal or report to the Legislature those identified as duplicative, archaic or inconsistent with the law or other regulations. This measure also requires state agencies to identify and report to the Legislature on regulations deemed to inhibit economic growth in the state.

Nielsen Bill Would Ensure Regulations Comply With State Law



[Assembly Bill 1213](#), by Asm. Jim Nielsen (R-Gerber) would require the Office of Administrative Law to initiate a priority review of a regulation at the request of a chair or vice chair of a legislative committee. It would also require that a court invalidate a regulation upon determining that it exceeds the scope of authority delegated to a state agency, or is determined to not be consistent with legislative intent.

Olsen Bill Would Offer Flexible Work Week



[Assembly Bill 830](#), by Asm. Kristin Olsen (R-Modesto) would allow employers and employees the flexibility of choosing to work four 10-hour days or the traditional five 8-hour days. This would give employees the option to choose a working schedule that fits their busy professional and personal lives. Flexible schedules also have the added benefit of easing traffic congestion and reducing pollution in our communities.

Olsen Bill Would Use Web Portal to Streamline Business Permits



[Assembly Bill 991](#), by Asm. Kristin Olsen (R-Modesto) would use a current web portal to provide a one-stop-shop for state-level permitting and licensing information. This measure would streamline important state resources for individuals and business owners and provide information to support applicants through the permitting and licensing process.

Smyth Bill Would Require Business Licenses to be Issued from One Convenient Location



[Assembly Bill 1003](#), by Asm. Cameron Smyth (R-Santa Clarita) would require that all professional and vocational licenses currently issued by the state be issued from one central location.

Valadao Bill Would Require Economic Impact Analysis of Proposed Regulation



[Assembly Bill 273](#), by Asm. David Valadao (R-Hanford) would codify the current practice of the Department of Finance to conduct a review of an agency's economic impact statement for proposed regulations, and would require that the Department submit the results of its review into public record during the public comment period for the proposed regulations. This will ensure that state officials consider the impact of regulations on jobs before their adoption.

Wagner Bill Would Provide Greater Transparency for New Regulations



[Assembly Bill 338](#), by Asm. Don Wagner (R-Irvine) would provide greater transparency for new regulations the bureaucracy tries to put in place by requiring a copy of each new regulation to be submitted to the Secretary of State. It would also require the Legislature to refer each regulation to an appropriate policy committee.

Wagner Bill Would Ensure Regulations Comply With Legislative Intent



[Assembly Bill 632](#), by Asm. Don Wagner (R-Irvine) would require the Office of Administrative Law to send notices to the Legislature of proposed regulatory actions, including information regarding the economic costs of the regulation. Current law establishes only that any regulatory actions by state agencies must be sent to and reviewed by the Office of Administrative Law. But since these regulations have the force of law, elected lawmakers should be involved in the process. This bill allows the Legislature to review important regulations to confirm that they meet with the approval of the people's representatives.

Garrick Bill Would Reduce Unemployment Insurance Fraud and Reduce Costs

[Assembly Bill 274](#), by Asm. Martin Garrick (R-Carlsbad) would help ensure that only those truly eligible for unemployment insurance receive benefits. Given that the state's unemployment fund is out of balance, it can ill afford to pay benefits to workers who don't qualify. This bill increases the time period for employers affected by an unemployment insurance claim to submit facts to the state whether a worker left voluntarily and without good cause. Reducing fraud will spare honest job creators from unnecessary costs.

Status: Passed Assembly and Senate. Vetoed by Governor Brown, September 9, 2011.

Hagman Bill Would Ensure Regulation With Representation

[Assembly Bill 135](#), by Asm. Curt Hagman (R-Chino Hills) would require one of the members of the California Air Resources Board to be a small business owner. Right now, small businesses are not guaranteed a seat on a board that directly affects their survival.

Status: Passed Assembly and Senate. Vetoed by Governor Brown, September 26, 2011.

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